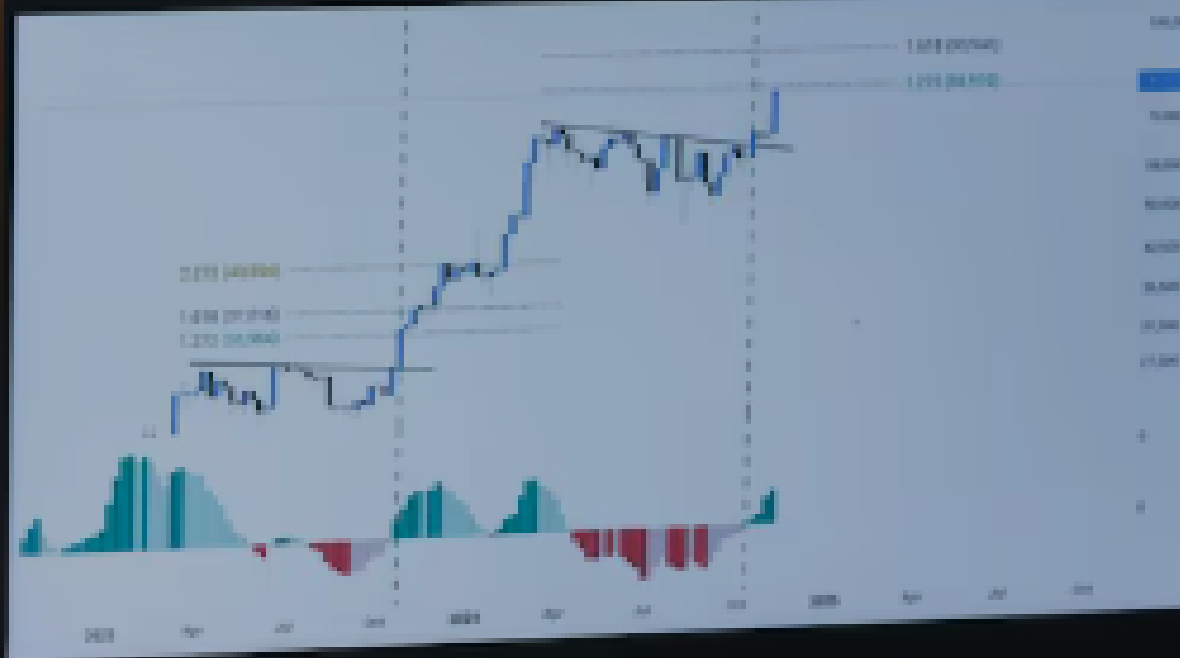


aractech

Global Learning for Operational Leaders



ACCOUNTING AND FINANCE

Credit Risk Assessment, Modelling and Management

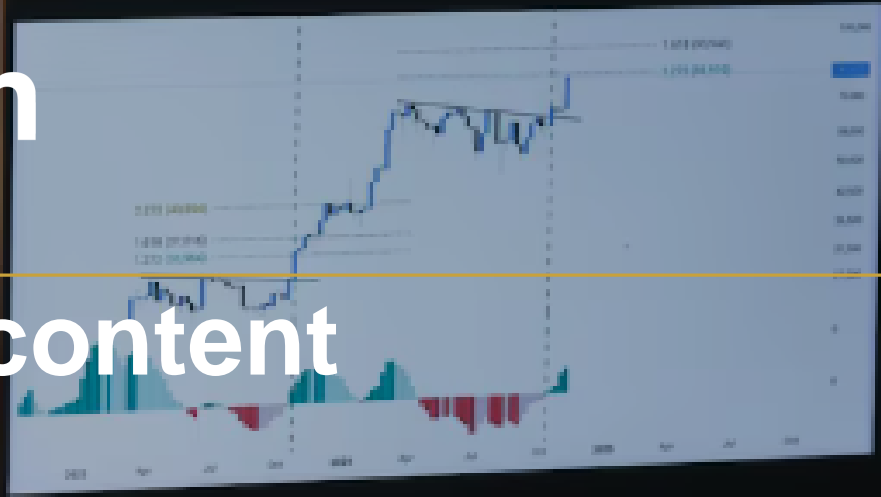
Contact

+31 85 7444446
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Address

Waarderweg 50, 2031PB Haarlem - Netherlands.

Course content



Why Attend

This Credit Risk Assessment course gives participants a comprehensive overview of the key concepts and methodologies in understanding the drivers of credit risk, modelling tools used for the measurement of credit risk, and current best practice in credit risk management techniques.

The course focuses on the actual practice of credit risk assessment within financial institutions as well as on the quantitative and methodological tools and procedures that are at the cutting edge of measuring, mitigating and managing credit risk.

Course Methodology

- This course utilizes Excel models for credit analysis, individual calculation exercises, team activities and plenary discussion.

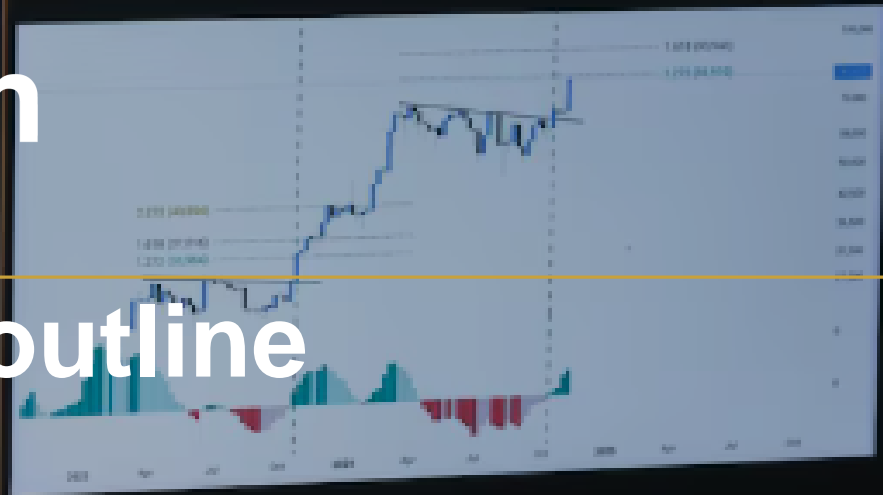
Course Objectives

- Identify the key elements of credit risk
- Analyze the micro-financial drivers of credit risk and macro-economic factors which impact system-wide credit risk
- Explain modelling techniques for assessing credit risk
- Demonstrate proficiency with different methods and tools for credit scoring
- Demonstrate the usage and risks of credit derivatives
- Apply collateral management techniques to credit derivatives exposures

Target Audience

- This course is beneficial for banking personnel in all areas of credit risk. Others who will benefit include, but are not limited to, asset allocators, portfolio strategists, sovereign wealth fund managers and research staff, risk managers/controllers, private investors and senior back office personnel.
- The course is also valuable for those interested in credit modelling and those engaged in compliance with all applicable regulations regarding credit risk in financial institutions.
- Target Competencies

Course outline



Detailed course outline

Module-by-module outline for Credit Risk Assessment, Modelling and Management.

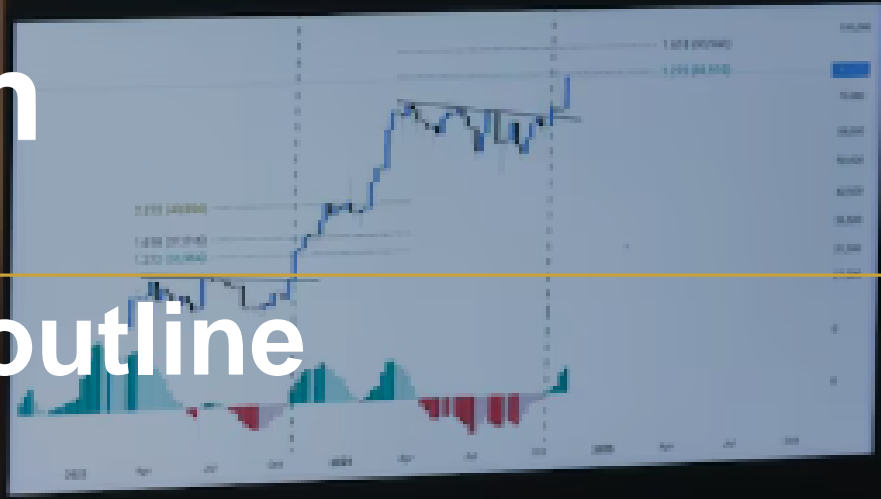
Module 1 - Fundamentals of Credit Risk

- The key macro and micro financial concepts behind, and drivers of, credit risk
- Measurement of credit risk and adverse outcomes
- Assessing credit risk and default probability of loan portfolios
- Key determinants for managing credit risk:
 - Probability of default (PD)
 - Exposure at default (EAD)

Module 2 - Credit Ratings Methodologies and Application

- Review of ratings classifications systems of the major Credit Ratings Agencies (CRAs)
- The principal credit ratings agencies – Moody's, Standard & Poor's, Fitch
- Overview of the ratings methodologies – issuer analysis, historical data, business cycles
- Commercial paper ratings
- Sovereign ratings – approach to developed markets and emerging markets
- Conflicts of interest - representing credit issuers but designed to protect credit purchasers

Course outline



Detailed course outline

Module-by-module outline for Credit Risk Assessment, Modelling and Management.

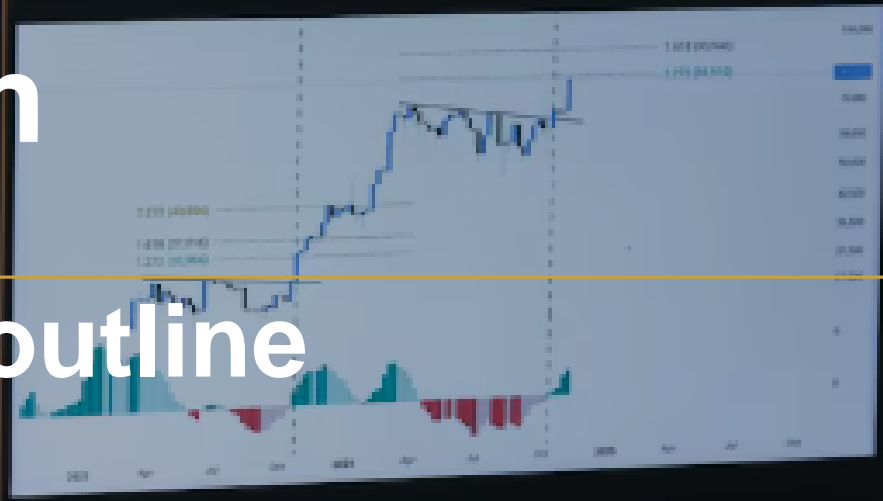
Module 3 - Capital Charges and Accounting Principles

- Review of the distinction between the banking book and the trading book
- Basel III attempts to address regulatory arbitrage
- Treatment of securitizations and off-balance sheet exposures
- Available for Sale issues – impacts on liquidity, high-quality liquid assets (HQLA), rigidity of balance sheets
- Detailed examination of IFRS 9 – implementation timetable, further revisions?
- Recognition of expected losses and early warning of asset impairment

Module 4 - Counter-Party Credit Risk

- Examine the various facets of credit risk which hinge on losses sustained from failure of an obligor to honour contractual obligations
- Distinguish the separate components of credit risk:
- Probability of default by obligor – how reliably can it be estimated?
- Probability of downgrade or widening credit spreads of counter party
- Recovery rate – what percentage of obligation can be recovered after default?
- Credit exposure – estimating loss magnitude in relation to capital buffers

Course outline



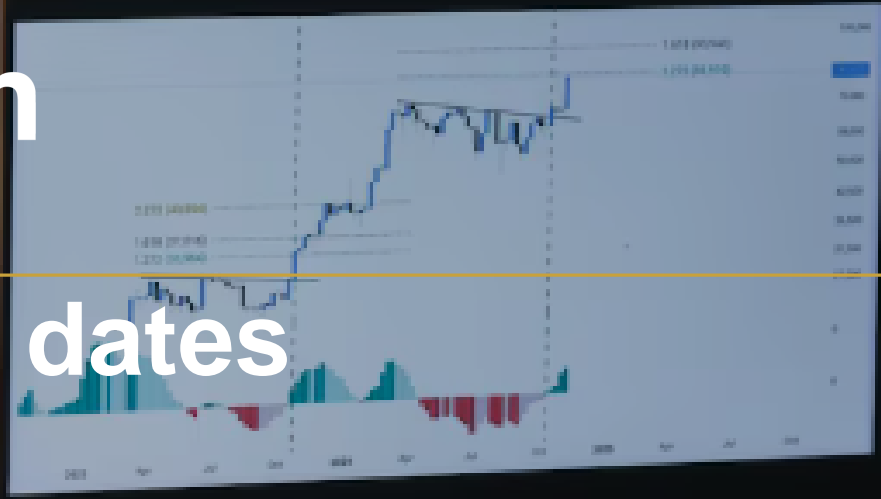
Detailed course outline

Module-by-module outline for Credit Risk Assessment, Modelling and Management.

Module 5 - Measuring Credit Risk and Techniques for Credit Risk Modelling

- Credit Metrics, credit scoring and credit rating systems
- Quantitative modelling of credit risk using stochastic processes
- Estimating probability of default – KMV Model, distance to default techniques
- Explain how debt and equity can be understood as options on the firm
- Techniques for modeling default risk of CDO's, CMO's and other structured vehicles
- Lessons from SIVs and other off-balance sheet financing on credit risk management

Seminar dates



Available seminar dates

Live dates and pricing for Credit Risk Assessment, Modelling and Management generated from the course details page.

Date	Location	Format	Fee
15 - 19 June 2026	Istanbul	Classroom	€1,995
20 - 24 July 2026	Vienna	Classroom	€2,975
3 - 7 August 2026	Barcelona	Classroom	€2,695
7 - 11 September 2026	Paris	Classroom	€3,150
12 - 16 October 2026	Frankfurt	Classroom	€2,275
9 - 13 November 2026	Barcelona	Classroom	€2,695
14 - 18 December 2026	Frankfurt	Classroom	€2,275

Live online option

Online delivery is available at €1,250.